

UFCW Local 455
MAR 25 2010
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**COLLECTIVE BARGAINING
AGREEMENT**

BETWEEN

**UNITED FOOD AND COMMERCIAL
WORKER'S UNION
LOCAL 455**

AND

**PILGRIM'S PRIDE CORPORATION
928 M.L. KING, JR. BLVD.
NACOGDOCHES, TEXAS**

October 7, 2007-October 6, 2012

2007 - 2012
COLLECTIVE BARGAINING
AGREEMENT

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ARTICLE 1
AGREEMENT AND GENERAL PURPOSES

Section 1.

This Agreement made and entered into by Pilgrim's Pride Corporation, Nacogdoches, Texas, hereinafter referred to as the "Company," and United Food and Commercial Workers Union, Local 455, hereinafter referred to as the "Union."

Section 2.

The general purpose of this Agreement are in the interest of the Company and the employees and the Union to provide for the operation of the Nacogdoches Processing Plant at 928 M.L. King, Jr. Blvd., Nacogdoches, Texas, under methods which will further the safety, health and welfare of employees, economy of operation, quality and quantity of output, cleanliness of the plant and protection of property. It is recognized by this Agreement to be the duty of the Management, the Union and the employees to cooperate fully, individually and collectively, for the advancement of these conditions.

ARTICLE 2
RECOGNITION

Section 1.

The Company recognizes the Union as the exclusive bargaining agent for all production, maintenance and quality control employees at its poultry processing facility located at 928 M.L. King, Jr. Blvd., Nacogdoches, Texas 75961 (and at no other geographical location), but excluding office, sales persons, and clerical employees, guards, professional employees, foremen and supervisors as defined in the Act.

ARTICLE 3
MANAGEMENT RIGHTS

Section 1.

There shall remain in the Company the exclusive and unilateral right of management of the Company's plant and facilities and the assignment and direction of the working forces, not limited to but including the following: to determine the number, location and type of plants it may operate; to decide the products to be manufactured, the methods of manufacture, the materials to be used and the continuance or discontinuance of any product, material or method of production; to introduce new equipment, machinery or processes and to change or eliminate existing equipment, machinery or processes; to discontinue, temporarily or permanently, in whole or in part, conduct of its business or operations; and to relocate its business or operations in whole or in part; to decide the nature of materials, supplies, equipment or machinery to be used and the price to be paid; to decide upon the sales methods and sales price of all products; to subcontract any work performed by or for the Company; to hire the workforce in accordance with the requirements set by management; to transfer, promote or demote employees subject to

the seniority provisions of this Agreement; to lay off employees for economic reasons and to terminate, discharge, suspend or otherwise relieve employees from duty for just cause; to direct and control the workforce; to establish and enforce reasonable rules governing employment, conduct, and working conditions; to determine the size of the workforce; to determine the number of employees assigned to any particular operation; to determine the workplace and to set reasonable work performance levels; to establish, change, combine or abolish job classifications and to determine the length of the work week; to utilize job rotation as deemed necessary by the company; to determine work starting and stopping times, the length of the work day, when overtime shall be worked, to require overtime; and to determine the qualifications of employees. All other rights of Management are also expressly retained even though not particularly enumerated above unless they are clearly limited by the explicit language of some other provision of this Agreement.

It is understood that the words "unilateral right" as used herein mean that the Company shall have the unquestioned right to take such action without prior notification or consultation with the Union, except that any such action, once taken, may be questioned, to the extent provided in this Article or as specifically provided elsewhere in this Agreement, through the grievance and arbitration procedures.

Section 2.

If the sub-contracting of work usually performed by bargaining unit employees or partial or complete plant relocation will have the foreseeable effect of causing the layoff of any unit employee, the Company will give notice to the Union and the parties will negotiate on the effects of the layoff. It is further understood that none of the provisions of this Article shall have the effect to reduce or waive any rights of unit employees under the Worker Adjustment and Retraining Notification Act (WARN).

Section 3.

Failure of the Company to exercise rights herein reserved to it or exercising them in a particular way shall not be deemed a waiver of said rights of the Company's rights to exercise said rights in some other manner not in conflict with the terms of this Agreement.

Section 4.

The Company shall use temporary help to supplement its manpower needs where the required staffing has not been met. During such times, the Company shall continue to attempt to recruit and hire regular full-time employees. The Company will not have any temporary help working while any regular employees are laid off. In the event of any layoffs or reductions in force, all temporary employees will be let go prior to any regular, full-time employees being laid off.

ARTICLE 4 SENIORITY

Section 1. Definition of Seniority.

Plant seniority will be determined by the most recent date of hire at the Nacogdoches plant. Where two or more employees have the same hire date, the employee whose last name begins with the earlier letter of the alphabet has the greatest seniority. Seniority shall apply in the choice of vacations, transfers, promotion, layoff and recall, provided that the most senior employee is able to perform the work.

Section 2.

The seniority of an employee will be broken when they:

- a) quit; or resign.
- b) are discharged for just cause; or
- c) fail to return to work within three (3) working days (72 hours) after being recalled by the employer by certified mail or telegram at his last known address; or
- d) have been absent exceeding three (3) consecutive working days without notification to the Company, which shall be considered a voluntary quit; or
- e) have been laid off for twelve (12) consecutive months; or
- f) fail to return to work as scheduled at the expiration of any Leave of Absence, which shall be a maximum of twelve (12) months, shall be considered a voluntary quit, the exception being military leave:
or,
- g) retire.

ARTICLE 5 GRIEVANCE PROCEDURE

Section 1.

The term grievance as used herein is limited to a complaint of an employee which involves the interpretation of, application of, or compliance with the provisions of this Agreement. It is agreed that all grievance shall be handled on the employee's non-paid time at reasonable, mutually agreeable times.

In all steps of this grievance procedure, the time limitations must be adhered to by both parties, unless there is a mutual written agreement between the parties to extend such time limitations. The Union Representative may be involved in any step of the grievance procedure.

For the purpose of settling any grievance, the following steps and conditions shall govern:

Step 1

An aggrieved employee or the union steward may present a grievance to the

employees immediate supervisor and the superintendent within five (5) working days of the occurrence of the matter being made the subject of the grievance. The Company will provide the Union with a written response within five (5) working days after receipt of the grievance. Every reasonable effort will be made to settle the grievance at this level.

Step 2

If satisfactory adjustment of the grievance is not made in Step 1, the grievance must be submitted by the Union in written form to the Human Resources

Supervisor within five (5) working days of the Union's receipt of the Company's answer in Step 1. The decision of the Human Resources Supervisor shall be rendered in writing within five (5) working days thereafter.

Step 3

In the event the Company's answer at Step 2 is not acceptable to the Union, within ten (10) working days following receipt of the Company's answer in Step 2, the aggrieved employee, union steward and/or Union Representative shall submit the grievance in writing to the Human Resources Manager or the Human Resources Supervisor. The Human Resources Manager shall submit his written decision to the Union within ten (10) working days following any grievance meeting held at this Step between the Company and the Union.

Section 2.

In the event the Company does not reply to a grievance within time limits set forth in Steps 1, 2, and 3 of this Article, the Union may, upon notification to the Company, process such grievance to the next step of this grievance procedure.

Section 3.

In cases of grievances arising out of discharged employees, the grievances shall start in Step 3 of this procedure.

Section 4.

An aggrieved employee and the steward processing the grievance will be granted the necessary time off to attend grievance meetings with the Company's designated representatives for the purpose of settling any and all disputes in any steps of the grievance procedure. Employees attending such meetings shall be paid at their regular rate of pay for the time it is necessary for them to be away from their work to attend such meetings.

ARTICLE 6 ARBITRATION

Section 1.

If the decision is not satisfactory under Article 5 Section 1, Step 3 herein, the matter may be submitted to arbitration within thirty (30) days (unless extended by mutual consent) from the Union's receipt of such decision. The party requesting the arbitration shall make a request for a panel of seven (7) arbitrators from the Federal Mediation and Conciliation Services, with a copy of such request to the other party. The Company and the Union shall alternately strike off names from the list until one remains, which shall be designated as the arbitrator. The arbitrator shall proceed as soon as practical to hold a hearing and render a decision on the matter. The arbitrator's decision shall be final and binding on the parties. The fees of FMCS, the arbitrator and his expenses shall be shared equally by the Union and the Company.

The arbitrator shall have no authority to add to, delete from, alter or otherwise Amend any provision of this Agreement.

An aggrieved employee and the Union representative processing a grievance will be granted the necessary time off to attend grievance meetings with the Company's designated representative for the purpose of settling any and all disputes in the four (4) steps of the grievance procedure. Employees attending such meetings shall be paid at their regular rate of pay for the time it is necessary for them to be away from their work to attend such meetings.

Section 2.

The limitations on the power of the arbitrator are as follows:

- (a) They shall have no power to add to, subtract from or modify any of the terms of the Agreement.
- (b) They shall have no power to establish wage rates or to change any existing wage rates.
- (c) The Company shall not be required to pay back wages prior to the date a written grievance is filed with the Company.
- (d) All awards of back wages shall be limited to the amount of wages the employee would have otherwise earned from their employment with the Company during the period as above defined, less any employment or unemployment compensation or other compensation for personal services, except those established earlier, that they may have received from any source during the period.
- (e) They shall have no power to substitute their discretion for the Company's discretion in places the Company has retained discretion or is given to act by this Agreement or by any written supplementary agreement.
- (f) They shall have no power to decide any question which under this Agreement is within the right of management to decide.
- (g) In addition to restrictions on arbitrators as set forth above, it is understood and agreed that questions and controversies about the health insurance

plan, or any other Company sponsored benefit plan, or its administration shall not be subject to the grievance and arbitration procedures of this Agreement.

ARTICLE 7 PROBATIONARY EMPLOYEES

Section 1 New Employees

All employees covered by this Agreement shall be regarded as probationary for up to ninety (90) calendar days beginning with their last date of hire, and are subject to discharge at the sole discretion of the Company anytime during their probationary period.

Section 2 Regular Employees.

All newly hired employees who satisfactorily complete their probationary period, including rehires who satisfactorily complete their probationary period, shall have their name entered on the seniority list as of their last date of hire or rehire as a regular employee.

ARTICLE 8 JOB VACANCIES AND JOB BIDDING

Section 1

A permanent vacancy is defined as a vacancy created by a quit, discharge, promotion, retirement, or creation of a new job.

Section 2.

When a vacancy occurs in a premium job or in maintenance, with the exception of live hangers and wing cutters, the bid will be posted by the Human Resources Department and a copy of the posting provided to the Chief Union Steward. Any employee wishing to bid on the job shall obtain a job bid form from the Human Resources office and submit same within five (5) working days of the job posting. At the end of the five (5) working day period, the job posting will be removed and the qualified senior bidder shall be awarded the bid.

Qualified as it pertains to this bid procedure is defined as qualified to do the work according to existing requirements and in comparison to others performing the same job, or if within five (5) days demonstrating a capability to learn to perform the job to the same extent of others performing the same job. The length of time provided to learn a job may be extended, upon mutual written agreement by the parties to this Agreement.

No employee may bid on any job opening until they have ninety (90) days or more of continuous service. If there is no qualified bidder, the Company may assign the job to a junior employee or hire from the outside to fill the vacancy.

Once the successful bidder has been identified, the Chief Steward will be notified and the name of the employee awarded the bid will be posted.

The successful bidder will be moved to his/her bid job within three (3) weeks from the date the bid was awarded. If the successful bidder is later disqualified by the Company, they shall be returned to their old job and cannot bid again for three (3) months.

Section 3

Non promotional bids, (bids to the regular/non-probationary rate and shift bids), will be allowed on a plant-wide basis until a minimum of twenty (20) bids have been offered per quarter. A minimum of ten (10) bids shall be from one shift to the other and the remainder limited to the same shift bid per calendar quarter, except for wing cutters.

Any employee desiring a transfer must sign the transfer sheet located in the Human Resources office no later than the fifteenth (15th) of the month prior to the beginning of each quarter. Only those individuals who sign up prior to the fifteenth (15th) will be considered for a transfer to a different shift or to another department.

ARTICLE 9 WORKWEEK AND HOURS OF WORK

Section 1. Workweek.

The normal workweek for payroll purposes begins at midnight Sunday morning and ends at midnight the following Saturday night. The pay week shall begin at 12:01 a.m. each Sunday and end at 12:00 midnight the following Saturday. Pay for all hours worked during such week shall be available on the following Friday.

Section 2. Workday.

a. The normal workday begins at midnight and ends at midnight twenty-four hours later. All hours worked on any shift that begins at or before midnight shall be considered as belonging to the workday in which the majority of hours are worked.

b. Twelve (12) consecutive hours will constitute the normal workday for employees who are normally scheduled on a twelve (12) hour shift. This will include two (2) thirty (30) minute paid break periods. The scheduling of these breaks shall conform with the provisions of Section 8d. of this Article.

c. Sanitation employees working in Further Processing will work two (2) twelve hour shifts and two (2) eight hour shifts, which shall constitute their normal workweek. Their twelve hour schedule shall include Sunday from 06:00 a.m. to 06:00 p.m., and Wednesday from 06:00 p.m. to 06:00 a.m. The eight hour schedules shall begin on Thursday and Friday mornings at 12:00 a.m.

Section 3. Work Schedules.

a. When daily overtime in excess of fifteen (15) minutes is required for processing employees, they shall be notified by second break, or as soon as the Company knows such overtime will be required.

b. Employees on twelve (12) hour work schedules, in regards to overtime, will not be allowed or required to work more than sixteen (16) consecutive hours in any one workday.

c. Employees who work twelve (12) hour shifts may have the opportunity to work an additional shift during the week; however, it is recommended that employees have at least one day following their normal three (3) twelve (12) hour workdays. In any event, prior permission must be obtained from the Company that an employee be allowed to work an additional shift.

Section 4. No Pyramiding or Duplication of Overtime or Premium Pay.

There shall be no pyramiding of overtime and it is understood that employees will not be paid both daily and weekly overtime for the same hours worked.

Section 5. Calculating When Overtime Pay is Due.

Hours paid but not worked shall not count towards the calculation of overtime.

Section 6. Work Schedule.

If weekend work is necessary, the Company will post the notice on the bulletin board no later than the noon on the preceding Friday unless an unexpected event requiring weekend operation occurs on Friday, and then the notice will be posted as soon as possible.

Section 7. Distribution of Overtime.

The Company will make reasonable efforts to distribute overtime fairly among qualified employees.

Section 8. Rest Periods.

- a. For employees on eight (8) hour work schedules, they shall have two (2) thirty (30) minute unpaid break periods during each shift. The first of such breaks shall be given no sooner than two (2) hours after the start of the shift and not later than three (3) hours after the start of the shift. It is understood that the second (2nd) unpaid break will commence no earlier than four (4) hours or no later than five and one-half (5 ½) hours after start-up.
- b. Plant maintenance and sanitation will not be afforded the rest periods as set forth in Article IX, Section 8(a). During these periods Maintenance Mechanics may be recalled during the rest period if plant issues dictate.
- c. In the event that the plant processes product in excess of eight and one-half (8½) hours as determined by the line time card for the department, the company will schedule a ten minute paid break for all partners who work in excess of eight and one-half (8½) hours.

- d. For employees on twelve (12) hour work schedules, the first thirty (30) minute paid break will commence no later than four (4) hours after the start of the shift. The second thirty (30) minute paid break shall commence no more than four hours following the return to work from the first thirty (30) minute paid break. In the event the shift does not exceed five and one-half (5 ½) hours, a break may not be granted. If the employees work more than twelve (12) hours in a shift, an additional paid ten (10) minute break will be given.

Section 9. No Work Guarantee.

The Company shall not guarantee to any employee a specified number of hours of work either per day or per week or as a limitation of the Company to fix the number of hours of work (including overtime either per day or per week for such employees).

Section 10. Overtime.

Time and one-half (1½) shall be paid for all hours worked in excess of forty (40) hours in any one work week. time and one-half the employee's regular straight-time hourly base rate of pay will be paid for all hours worked in excess of ten (10) hours in any one workday provided however, that the employee works all scheduled hours in the workweek. If all scheduled hours are not worked, then overtime shall be calculated on the basis of hours worked in excess of forty (40) hours in that workweek.

Effective on October 6, 2012, time and one-half the employee's straight-time regular rate of pay will be paid for all hours worked in excess of ten (10) hours in any workday, provided however, that the employee has worked all scheduled hours in the workweek. If the employee has not worked all scheduled hours, then overtime will be calculated on the basis of all hours worked in excess of forty (40) hours in the workweek.

It is understood that this section is only intended to provide a basis for calculating overtime and shall not be construed as a guarantee of hours on a daily or weekly basis.

Section 11. Call-In-Pay.

All employees called in to work shall be provided with four (4) hours work, or pay in lieu thereof. When an employee is notified to report early on his regular shift or is held over at the end of this shift, or is notified no later than the day before to report on an off day, such shall not be considered as a call-in.

Section 12. Saturday and Sunday Work.

When business necessity requires, the Company shall, in its sole discretion, have the right to require any employees to work on Saturday or Sunday, or the sixth and seventh consecutive days of the work week.

Section 13. Reporting Pay.

All employees who report for work at the commencement of a scheduled shift without having been given notice of a change in schedule shall be given a minimum of

four (4) hours work or pay. Reporting pay shall not be required in cases where work cannot be provided due to circumstances beyond the control of the Company, such as: strikes, riots, fires, storms, inclement weather, public utility failure, floods, explosions, acts of God, or governmental agencies (other than USDA sanitation) that would prevent the operation of the plant. In cases of inclement weather, the Company will have provided notice of change of schedule if the change of schedule is announced through a radio announcement no later than two (2) hours prior to the commencement of the shift.

Section 14.

Consecutive Days of Work. No employee shall be required to work more than twenty-one (21) consecutive days without a scheduled day off. This provision shall not be applicable in the event the decision to work more than twenty-one consecutive days is voluntary on the part of the employee.

ARTICLE 10
SAFETY AND HEALTH

Section 1.

The Company recognizes its duty to provide safe and healthful working conditions.

Section 2.

The Union agrees to encourage its members to work safely and to follow the instructions of the Company in the proper use, care, operations, protection and maintenance of property, equipment and vehicles.

Section 3.

It is each employee's responsibility to notify their supervisor immediately of any accidents, injuries or defective equipment.

Section 4.

The Union and the Company recognize that cross-training may be required in accordance with Company needs. The Company shall be permitted to cross-train employees within or between job classifications throughout the plant.

Section 5.

Employees who are injured on the job so seriously that a doctor determines that they may not return to work on the day of the injury shall be paid for lost time up to a maximum of eight (8) hours, or in the case of employees on twelve (12) hour shifts, up to a maximum of twelve (12) hours.

Section 6.

Employees who are required to return to the doctor due to an on-the-job injury shall be paid for all lost time up to a maximum of eight (8) hours, or in the case of employees on twelve (12) hour shifts, up to a maximum of twelve (12) hours provided

they report to work immediately following the doctor's appointment or work up until the time to leave for the doctor's appointment. This section does not apply to an employee who is otherwise paid any form of compensation for the day on which the doctor visit is made.

Section 7.

Both the Union and Company agree that the safety and well being of employees in the work environment is a high priority. The Union and the Company also recognize that it is the responsibility of all employees to abide by the Company policies designated to ensure the well being of each of them.

The Union recognizes that the Company has safety policies and programs established for the purpose of promoting safety. Safety committees exist which are designed to assist in the development of additional programs, policies, and procedures. The Union agrees that it will join the Company and Hourly production on these committees.

The Company invites the active participation of its hourly employees on the safety committee(s) and values their input and suggestions. It is understood that it remains the exclusive right of management to develop and implement rules, policies, and procedures.

The Health and Safety Committee shall consist of a minimum of four (4) bargaining unit employee representatives, two (2) of whom will be designated by the Local Union and those two (2) subject to replacement under such circumstances as the Local Union may determine. The remainder of the bargaining unit members shall be determined by a recommendation of outgoing bargaining unit committee members. The committee will include a minimum of four (4) management representatives designated by the company and subject to replacement under such circumstances and conditions as the company management may determine.

The Health and Safety Committee shall hold meetings as often as necessary, but no less than once every two (2) months at a regularly scheduled time and place.

Safety Committee members may also serve as an additional resource through which employees may report safety hazards.

Work time lost by the employee committee members in the performance of their duties as members of the committee shall be compensated by the Company at their regular hourly rates.

ARTICLE 11
TEMPORARY ASSIGNMENT

Section 1.

When an employee is temporarily assigned to a higher rated job, the employee will be paid the higher rate for all time spent working on the higher rated job. When an employee in a higher rated job is assigned to a lower rated job, the employee will receive the higher rate that workday.

ARTICLE 12
DISCIPLINARY ACTION

Section 1.

The Employer has the right to establish or promulgate reasonable rules and regulations. The Employer agrees that it will furnish copies of such rules and regulations to the Union.

Section 2.

No employee, excluding probationary employees, shall be disciplined or discharged without just cause. Nothing in this Agreement shall be construed to limit the right of the Company to suspend, demote, discharge, or otherwise discipline any employee for just cause, however, such discipline shall be subject to the grievance procedure including arbitration. A copy of all write-ups will be given to the Union upon request.

Section 3.

The Company shall post a copy of the rules and regulations on the bulletin board.

Section 4.

The Company will provide upon request to the designated Union Representative a computer generated print out of those Partners who have been discharged by the Company. Failure of the Company to provide a report on a Partner will not be considered by any arbitrator concerning a grievance brought to redress the discharge or discipline of a Partner.

ARTICLE 13
VACATIONS

Section 1. Eligibility.

- a. All employees, upon completion of one (1) year continuous service from the date of employment, shall be entitled to one (1) week of vacation with pay.
- b. All employees, upon completion of three (3) years continuous service from date of employment, shall be entitled to two (2) weeks vacation with pay.
- c. All employees, upon completion of nine (9) years continuous service from date of employment, shall be entitled to three (3) weeks of vacation with pay.
- d. All employees, upon completion of twenty (20) years continuous service from date of employment shall be entitled to four (4) weeks of vacation with pay.
- e. Upon completion of required years of service, the vacations shall be taken during the year immediately following the completion of such terms of service and at a time mutually satisfactory to Management and the employee and may not be carried over from one year to the next.

Section 2.

Continuous service is defined as a service of an employee who has been on the payroll and who has worked forty-four (44) weeks during the previous fifty-two (52) weeks immediately preceding the anniversary date of employment each year. The minimum of forty-four (44) weeks need not be consecutive.

Section 3.

Employees prevented from actually working forty-four (44) weeks in their anniversary year due to sickness, a leave of absence, or layoff, but who have actually worked in the completed anniversary year, shall receive vacation payments at two percent (2%) of straight time earnings per week of vacation eligibility in the completed anniversary year and shall receive vacation time off in a like amount.

Section 4.

Pay for all employees entitled to full vacation, including both employees on eight (8) hour shifts and twelve (12) hour shifts, will be computed on the basis of forty (40) hours for each week of full vacation at the regular rate of hourly pay not including overtime pay.

Section 5.

A vacation week shall be the work week, Sunday through Saturday. Employees who have less than five (5) days vacation eligibility per week shall schedule those days consecutively within the same work week.

Section 6.

Employees eligible for two (2) or more weeks of vacation may take one (1) week, five (5) days of such vacation in one (1) day increments.

Vacation requests must be submitted in writing at least one (1) week in advance of the date being requested. All such requests must have prior approval of the department supervisor. All such approvals will be at the sole discretion of the Company. All requests will be considered on a first-come, first-served basis. The department supervisor will respond in writing within two (2) days of the request.

ARTICLE 14
HOLIDAYS

Section 1.

The following paid holidays shall be observed by the Company:

Independence Day	Christmas Day
Thanksgiving Day	New Year's Day
Labor Day	Birthday
Memorial Day	Floating Holiday

Section 2.

To be eligible for holiday pay, an employee must have been on the payroll for at least thirty (30) days, and also must have worked all scheduled hours the day before, the day of and the day after the holiday.

Section 3.

Holiday pay shall be governed by the employee's normal work schedule; employees working an eight (8) hour work schedule shall be compensated at the rate of eight (8) hours pay at the straight-time hourly rate, employees working a twelve hour schedule shall be compensated at the rate of twelve (12) hours pay at the straight-time hourly rate. If a holiday occurs within an employee's vacation period, the employee shall be paid holiday pay according to the above paragraph in addition to vacation pay.

Section 4.

Requests for the birthday holiday must be made at least seven (7) working days in advance of the date being requested and must be in writing. The birthday holiday must be taken within the fourteen (14) calendar days following the date of the actual birthday. The birthday holiday must be taken within the calendar year and cannot be carried over.

Requests for the birthday holiday will be recognized on a first-come, first-served basis. Approval will be based on staffing requirements.

Employees will not be allowed to work on the day they designate as their birthday holiday.

Section 5.

Holiday hours consist of a shift beginning on a recognized holiday.

Section 6.

Requests for the floating holiday must be made at least seven (7) working days in advance of the date being requested and must be in writing. The floating holiday must be taken within the calendar year and cannot be carried over.

Requests for the floating holiday will be recognized on a first-come, first-served basis. Approval will be based on staffing requirements.

ARTICLE 15 LEAVE OF ABSENCE

Section 1. Eligibility.

All full-time employees who have completed their probationary period may be granted a leave of absence. Leaves of absence are to be requested in advance, or in emergency situations as soon as practically possible. All leaves of absence are to be made on the leave of absence application provided by the Company. Leaves will not be granted for the purpose of trying out, or venturing into self-employment, another job, or in any situation deriving income or for serving time while in jail or prison. Any available paid leave time (e.g., vacation) must be taken at the initiation of the leave period to the extent available. This paid leave will run concurrently with any other leave period granted by the Company.

Section 2. Length of Leave of Absence.

Eligible employees with over one (1) years seniority, may receive up to one (1) year. Eligible employees with less than one-year seniority may receive leave up to thirty (30) days. However, medical leaves for employees who have completed their probationary period may be granted up to one (1) year.

Section 3. Personal Leave.

Employees who have completed their probationary period may apply to the Company for a leave of absence for personal reasons, and the granting and duration of such leaves will be discretionary with the Company, which will consider both the needs of the employee and the operational needs of the Company. All such leaves that are granted will be without pay for a period not to exceed thirty (30) days.

Section 4. Medical Leave.

Eligible employees who are unable to work due to illness or injury (including pregnancy) shall be entitled to a medical leave with proper medical documentation from a physician.

Section 5. Family Leave.

An employee who has been employed for at least twelve (12) months by the Company and at least twelve hundred fifty (1250) hours during the previous twelve months may be granted a family leave of twelve (12) work weeks within any twelve (12) month period because of the birth of the employee's son or daughter and to care for said son or daughter or because of the placement of a son or daughter for adoption or foster care.

Similarly, an employee may be granted up to twelve (12) weeks of unpaid family leave during a twelve (12) month period to care for the employee's spouse, son, daughter, or parent if such family member has a serious health condition. This provision is intended to be in conformance with the Family and Medical Leave Act of 1993. In determining if a partner has any FMLA leave time remaining, the Company will look back at the preceding twelve (12) months prior to the FMLA leave application at issue to determine what, if any, FMLA leave time the partner has remaining. Paid or unpaid leave time, including vacation time, available under any other Pilgrim leave of absence provision in the contract or in any Pilgrim policy, or required by law, which applies to the circumstance causing the leave request will run concurrently with an FMLA leave of absence.

Employees entitled to more than one (1) week of vacation shall be required to take all but one (1) week of eligible but yet untaken vacation in conjunction with FMLA leave for their own qualifying illness as outlined in the previous paragraph.

Section 6. Jury or Court Appearances.

(a). An employee summoned to serve as a juror or an employee who is subpoenaed or served notice to testify in which neither he nor the Company is a party, shall be granted time off and paid his hourly rate to fulfill such obligation.

(b). An employee who is required to appear because of paragraph 6(a) shall still be required to work on any day that such appearance does not necessitate full-time absence from work unless eight (8) hours remain between dismissal from his appearance and the beginning of the employee's scheduled shift, nor shall the employee be required to work in the eight (8) hours prior to such jury or court appearance.

(c) Employees who work their regular jobs while also serving in court will have all hours actually in court counted as working hours in calculating overtime pay. Hours spent on jury duty shall count as time worked in the calculation of overtime in the week in which the hours spent on jury duty occurs. An employee must notify his/her supervisor as far as possible in advance of any absence for such purpose. The supervisor may require the employee to show the summons, subpoena, or written evidence requiring the court appearance.

(d) To receive pay from the Company, the employee must provide a statement certified by a court representative stating the type of service rendered and the dates and hours of service.

Section 7. Funeral Leave.

A full-time employee who has fulfilled his or her probationary period (a qualified employee) who is absent due to death in their immediate family (immediate family is defined as spouse, parents, children, grandchildren, foster children, brother, sister, step-brothers, step-sisters, step-mother, step-father and step-children) will receive three (3) days' pay so long as days paid are consecutive and involve regular work days between the day of death and day following the burial. A qualified employee who is absent due to the death of a grandparent, brother-in-law, sister-in-law, mother-in-law or father-in-law will receive one (1) day's pay if absent on a scheduled work day. Employees will be granted a reasonable amount of time off without pay to attend the funeral.

Section 8. Military Leave.

Employees leaving work for military service in the uniformed services shall be accorded all rights to which they are entitled under provisions of the Uniformed Services Employment and Reemployment Rights Act (USERRA).

Section 9.

The Company agrees to grant the necessary time off without discrimination or loss of seniority and without pay up to four (4) employees designated by the Union to attend conventions or serve in any other capacity on other official Union business provided the Company is given at least one (1) week advanced notice in writing. In no case shall the length of time off exceed one (1) year.

Employees granted leave under this section shall not be utilized for organizing activities at other Pilgrim's Pride facilities. If this provision is violated, leave will be rescinded.

ARTICLE 16

LAYOFF AND RECALL

Section 1.

Layoffs of five (5) calendar days or less shall be considered a temporary layoff and shall be on a departmental basis (Live Receiving, Processing, Packing, Sanitation and Maintenance). Prior to any temporary layoff of three (3) or more days, the Company will solicit volunteers to accept the layoff within the affected department. In permanent layoffs, plant seniority will prevail, provided the employees involved are relatively equal in ability and fitness to immediately perform the available work.

Section 2.

The Company, when recalling layoff employees, will recall using seniority as the basis. Employees being recalled from a plant-wide layoff may be recalled to whatever work is available.

Section 3.

When an operation requires skilled or specially trained persons, they shall be retained or recalled regardless of other factors involved.

ARTICLE 17
NO STRIKE – NO LOCKOUT

Section 1.

There shall be no strikes, slowdowns, or work stoppage of any kind, including sympathy strikes, nor any other activity of employees or of the Union designed to curtail or interfere with production or Company operations and there shall be no lockouts by the Company for any reason during the term of this Agreement.

Section 2.

In the event of any violation of Section 1 of this Article by the Union or employees, the Union shall:

1. Declare publicly that such action is unauthorized.
2. Promptly order all employees to resume their normal duty.
3. Not question the right of the Company to discipline or discharge employees engaged in or encouraging such action. It is understood that such action on the part of the Company shall be final and binding upon the Union and its members and shall in no case be considered as a violation by the Company of any provision of this Agreement. Only the issue of fact as to whether or not any particular employee has engaged in, participated in or encouraged any such violation may be subject to the grievance procedure.

ARTICLE 18
MISCELLANEOUS

Section 1. - Restroom Relief.

Employees will be allowed reasonable relief from the line when necessary to visit the restroom. Employees who abuse this privilege will be subject to discipline up to and including discharge.

Section 2. - Bulletin Board.

The Company will provide bulletin boards (one for each break area) to be used by the Union in the plant breakroom. The bulletin board may be used by the Union to post notices. Union recreational and social affairs, notices of election of Union officers, notices of Union appointments and results of Union elections, or notices of Union meetings. The Union agrees that there will be no postings of a political nature on the bulletin board and there will be no other postings unless approved in advance by the Plant Manager, or his designee.

Section 3. - Union Visitations.

During the term of this Agreement, designated union representatives may be provided access to the plant for the purpose of observing compliance with the terms of this agreement as well as to adjust any grievances or complaints arising under this Agreement. Prior to entering the plant, however, said representative(s) must notify Human Resources or whomever Human Resources shall designate. At all times while on the Company's premises, union representatives shall comply with the Company's safety and security policies and practices. The Company has the option of accompanying any union representative while in the plant production or operating areas. Conferences or meetings between union representatives and employee(s) shall be conducted in non-working areas and on non-working time so that there shall be no interference with, or interruption of normal operating conditions.

Section 4. Non - Discrimination.

The Company and the Union agree that the provisions of this Agreement shall be applied to all unit employees without regard to race, color, religious creed, national origin, sex, age, disability or military service during the Vietnam era, as required by law. It is understood that "age" and "disability" as used herein, shall mean the same as in applicable federal and state law.

The Company and the Union agree that neither the Company and the Union, the Union's members or the Union's representatives will discriminate or coerce any employee in his right to belong or not belong to the Union.

Where gender is used in any provision of this agreement, it is used solely for the purpose of illustration and is not in any way intended to designate the sex of the employee eligible for the benefits provided by this Agreement.

Section 5. Emergency Messages.

Verified emergency messages will be relayed to the employee as soon as possible after receipt of the message.

Section 6. Supervisors Working.

It is recognized that supervisors and other non-bargaining unit employees may perform bargaining unit work if deemed advisable by management.

Section 7:

The Company will provide to the Union upon written request once a month a list of employees sorted alphabetically represented by the Union containing their wage rates, addresses, telephone numbers, last four digits of their social security numbers, and Company seniority date. The Union agrees to hold the Company harmless concerning any action brought by a bargaining unit employee against the Company concerning disclosure of this information to the Union.

Section 8.

The Company will provide the Union upon written request once a month a list of names and containing the last four digits of the social security number of bargaining unit employees who left employment of the Company. The Union agrees to hold the Company harmless concerning any action brought by a bargaining unit employee against the Company concerning disclosure of this information to the Union.

Section 9.

E-Payroll.

- (1) The Parties agree that the Company's managers, supervisors and other representatives will remain neutral and will refrain from communicating with employees about their opinions or how they should respond to the Payroll Delivery, Pay-Card/Direct Deposit options.
- (2) The Company agrees that prior to implementation of the payroll delivery changes, it will conduct a bank fair to which financial institutions will be invited in order to provide employees with additional options from which to choose in regards to their choice of pay delivery/direct deposit options. It is understood that employees who do not choose the pay-card or direct deposit options will have their payroll checks mailed to their addresses of record.
- (3) E-Payroll – Employees currently enrolled in direct deposit will no longer receive pay advices via mail to their homes or at the worksite. Pay advices for those employees will be available for viewing and/or printing at kiosks located in the employee break rooms at their respective worksites. The pay advices are also available for viewing via their personal computers at home or the information is available by calling a toll free number.
- (4) The Company agrees that representatives from the union's endorsed financial institution(s) shall be granted access to all bank fairs hosted by the Company and that bargaining unit employees shall be given the opportunity to enroll with the banking institution of their choice, free from influence or coercion by representatives of the Company or the Union, in regards to their payroll delivery options and their choice of banking institution.
- (5) The Company shall provide employees with information explaining the direct deposit, pay-card and e-payroll process. The financial institutions invited to the bank fair(s) shall provide information regarding their services and the attendant costs so that employees may make informed choices.

ARTICLE 19
CHECK-OFF

Section 1. Collection of Dues.

The Company agrees to check-off union dues, initiation fees, assessments and/or an equivalent amount for all employees for whom it has check-off authorization and shall abide by this agreement until the Company is notified by the Union that such authorization is duly revoked.

Section 2. Remittance.

The Company agrees to make a uniform deduction for the Active Ballot Club fro those employees who voluntarily so authorize the Company. Such funds shall be remitted to the Local Union.

Section 3. Hold Harmless.

The Union will indemnify and hold the Company harmless against any claim, demand, suit or liability from an employee arising out of or by reason of any action taken by the Company in deducting and remitting such dues.

Section 4.

The Company will accept the current Union Authorization Card provided that the language of this Article and not any authorization card presented by the union will control the ability of any employee to revoke their authorization to deduct Union dues or funds payable to the Union.

ARTICLE 20
UNION REPRESENTATIVES, STEWARDS

Section 1. Stewards.

The Company is not to recognize any steward until the Union notifies the Complex Human Resources Manager or, in his absence, the Human Resources Supervisor, in writing of the steward's designation. The Union will designate a maximum of twenty-five (25) stewards.

Section 2. Training and Development.

Stewards shall be eligible two (2) times per year to be off work without pay for training and development only. (They shall not participate in organizing activities at other Pilgrim's Pride facilities). No more than fifteen (15) of the stewards authorized by the contract may be off any one day for training and development and no more than two (2) out of any one department. The Company shall excuse his absence if notified in writing ten (10) working days in advance by the Local Union. Hours in which stewards are trained in accordance with this section (not to exceed eight (8) hours in any day) on Monday through Friday of any week will be considered time worked in computing overtime under this agreement.

Section 3.

The Company will agree that union stewards will be allowed to wear a colored hair net which will serve to identify them as union stewards. The color will be determined by the Company based on what USDA will allow.

ARTICLE 21
DRUG TESTING

The Pilgrim's Pride Alcohol and Drug Testing policy will be effective as provided in the policy. As a corporate-wide policy, it is understood that the Company may unilaterally, without bargaining or negotiating with the Union, change any or all provisions of the policy that are made on a corporate-wide basis.

ARTICLE 22
HEALTH AND WELFARE

1. Health Plan – The Company will offer the Pilgrim's Pride Corporation Medical Plan, Options PP200 and PP500. The Company will also offer fully insured 100% employee paid dental and vision coverage.
2. In an effort to manage costs and communicate openly concerning employee health care coverage, the Company agrees to meet with representatives of the International Union during the second calendar quarter of each year. The purpose of this meeting is to confer with respect to matters of plan design and cost containment. Notwithstanding the provisions in this paragraph, the Company shall maintain the right to unilaterally change any or all provisions, or raise or adjust the total cost of its corporate wide health plan. However, if the percentage increase in health plan costs for any year exceeds the percentage increase forecasted most recently prior to June of each year in Aon's semi-annual inflation-adjusted trend survey by more than 2 (two) percent, representatives of the Company and the International Union agree to meet and mutually agree to plan design and cost containment changes in the health care plan with the goal to reduce such increase to a level at or below the percentage increase forecasted in the relevant Aon survey. The Company reserves the right to utilize a different benchmark if it shall become necessary or appropriate to do so. Nothing in this agreement shall be interpreted to permit the company to reduce benefits in order to reduce its costs below 75 (seventy – five) percent of the current employee only COBRA base rate (without the 2 (two) percent administrative fee) for the PP500 Plan.
3. In the event any future Health Care Reform legislation is enacted, representatives of the Company and the International Union agree to meet and confer with respect to the impact of such legislation.
4. Health Care Costs for PP500 – The Company will contribute 75% of the cost for employees who enroll in the PP500 Plan. Employees who enroll in the PP500 Plan will contribute 25% of the total cost for the duration of the contract. Contributions will remain the same as currently determined for 2009.

5. Health Care Costs for PP200 – The Company will contribute an amount equal to 75% of the total cost for the PP500 for employees who enroll in the PP200 Plan. Employees who enroll in the PP200 will contribute the remainder of the total cost for the PP200 plan. This cost sharing will be in effect for the remainder of the contract.

Short Term Disability Pay Policy

1. The Company will terminate the insured short term disability plan and provide short term disability pay under the Company's short term disability pay policy. Provisions of the policy are below.

Union hourly employee is eligible for short term disability pay under the policy following one year of service, if he or she:

- (1) Is either-
 - (A) On Medical Leave; or
 - (B) On Occupational Injury Leave and
- (1) If a Texas Employee, has elected any available Premium Benefits under the Employee Protection Plan
- (2) And enrolled in a medical plan.

A Union hourly employee must contact the Short Term Disability Third Party Administrator (STD TPA) to provide any required health care provider information to certify his or her claim prior to receiving short term disability pay.

Service as of Disability	Elimination Period		60% Benefit [†]
	Injury	Illness	
< 1 year of service	N/A	N/A	N/A
1-2 years of service	Day 1 (no wait)	*After 7 days	Up to 13 weeks
2 or more years of service	Day 1 (no wait)	*After 7 days	Up to 26 weeks
[†] Employee must be in a medical plan to be eligible for STD benefits.			

* Union Hourly Employees may elect to use vacation days in order to receive pay during the 7 day elimination period.

Life Insurance:

The Life insurance benefit for employees shall be an amount equal to 100% of their annual salary, subject to a maximum of \$1,000,000 dollars. The accidental death and dismemberment (AD&D) benefit shall be an amount equal to the life benefit. The amount of insurance benefits shall be rounded to the next multiple of \$1,000 if not already an exact multiple.

**BENEFITS EXHIBIT
PILGRIM'S PRIDE CORPORATION**

NACOGDOCHES, TX



PA: 1304, 1305 PSA: U064

Benefit Line Up	Enrollment Eligibility	Employee Contribution			Benefit Option
Health Insurance*					
Medical	1 st of the month following 60 days	2010	2011	2012	PP200/PP500 (BCBSTX)
		PP500-25% PP200-Buy-up ¹	PP500-25% PP200-Buy-up ¹	PP500-25% PP200-Buy-up ¹	
Dental	1 st of the month following 60 days	100% Employee Paid			Basic/Premium (BCBSTX)
Vision	1 st of the month following 60 days	100% Employee Paid			Vision (DAVIS VISION)
Life Insurance					
Basic & AD&D	1 st of the month following 60 days	100% Company Paid		1x Base Pay up to \$1 million (Basic) 1x Base Pay up to \$1 million (AD&D)	
Disability Insurance					
Short Term Disability	1 year anniversary	100% Company Paid		60% Based on Years of Service (YOS) < 1YOS= No Benefit 1 < 2YOS= up to 13 weeks 2 or more YOS = up to 26 weeks *Must be enrolled in a Medical plan	
Retirement					
401(k)- RSP	First day following 1 year anniversary	Employee can contribute up to 20% on pre-tax basis		30% company match on Employee's first 6%	

¹ For employees who enroll in the PP500, the Company will contribute an amount equal to 75% of the total cost for the PP500. For employees who enroll in the PP200 plan, the Company will contribute an amount equal to 75% of the total cost for the PP500 and the employee will contribute the remainder of the cost for the PP200.

Health Insurance coverage is available to employee and family if employee is enrolled; all other benefits are available for employee participation only. Any plans not listed on this chart are no longer offered.

The Company will offer the same health plans as offered at other Pilgrim's facilities. As the corporate health plan covers facilities other than the Nacogdoches, TX facility, it is understood that the Company may unilaterally, without bargaining or negotiating with the Union, change any or all provisions of the health plans.

Issues concerning medical and life insurance shall be governed by the applicable summary plan description and shall not be subject to the grievance and arbitration provisions of this Agreement.

Revised 12.10.2009

ARTICLE 23
TUITION REIMBURSEMENT

Suspension of the Tuition Reimbursement Program. The Company shall suspend the Tuition Reimbursement Program until the Plan of Reorganization (related to the bankruptcy filing) becomes effective. This provision does not apply to Company sponsored and approved training programs for maintenance mechanics and truck drivers.

Section 1.

Pilgrim's Pride offers financial assistance to all full-time employees for approved degree programs, college course work, certification tests and external seminars after one year of service with the Company.

Section 2.

For pre-approved degree programs and college course work, the employee may receive one hundred percent (100%) reimbursement for a grade of C or better. The reimbursement applies to tuition, books, and fees.

Section 3.

Employees receiving reimbursement for education expenses must submit a certified transcript of their grades and receipts for the expenses incurred.

Section 4.

Employees receiving reimbursement from any outside sources, such as the veteran's administration or scholarships, may use the above formula, but the Company's portion may not make the total exceed 100% of the reimbursable cost.

Section 5.

Employees are expected under normal circumstances to schedule class attendance and the completion of study assignments outside of their regular working hours.

Section 6.

Employees who are terminated during enrollment because of a reduction in work force or elimination of their job or who are unable to complete an approved course because of transfer within the Company, will be reimbursed for the full amount of the costs incurred up to the date of termination or transfer. Employees who, prior to completing the approved course, voluntarily leave the Company or are terminated for reasons other than those listed above, will not be reimbursed for the expenses associated with the course.

Section 7.

Certification test fees will be reimbursable at 100% if Pilgrim's Pride is required to have the certification on the premises.

Section 8.

Certification test fees (GED) will be reimbursed at 100%.

ARTICLE 24
RETIREMENT SAVINGS PLAN

Section 1.

Bargaining unit employees shall be eligible to participate in the Pilgrim's Pride Retirement Savings Plan and the Pilgrim's Pride Stock Purchase Plan, which are corporate wide plans, on the same basis as all other employees of the Company. The administrative details of both plans are covered in the Summary Plan Descriptions.

Section 2.

As the corporate wide Retirement Savings Plan and the corporate wide Stock Purchase Plan are corporate wide savings plans, it is understood that the Company may unilaterally, without bargaining or negotiating with the Union, change any or all provisions of either Plan and that the Union has also waived its right to bargain concerning the impact or effects on employees concerning such changes.

Section 3.

It is understood that the administration of the retirement savings plans and all other benefits plans provided for in this Article are not subject to the grievance and arbitration provisions of this Article, but will be governed under applicable federal law in accordance with the applicable Plan Document.

Section 4.

To encourage employees to start in the plan, the Company will contribute \$1 into the employee's account, after enrolling, every week beginning on the eligibility date.

Section 5.

The employee will be allowed to determine the investment direction in 25% increments, the contributions made, including Managed Income Portfolio, Puritan Fund, Magellan Fund and Pilgrim's Pride Stock Fund. At least 25% of the Company contributions must go into the Pilgrim's Pride Stock Fund.

Section 6.

An employee will be allowed to change or stop contributions according to the following guidelines:

- (a) Change the rate of contribution 4 times a year;
- (b) Change the investment mix 4 times a year;
- (c) Stop saving any time. If an employee stops contributing, the employee will have to wait until the next January 1 or July 1 to begin the contributions again.

Section 7.

Active employees who are "parties in interest" as defined by ERISA may take personal loans against the "vested" account of the plan without penalty or paying tax on the money borrowed. The minimum loan amount is \$300, but the amount borrowed may be up to 50% of the vested account balance up to \$50,000.

Section 8.

Loan payments may be scheduled for as long as five (5) years through payroll deductions. Interest rates will be set according to market rates. The loan repayment period requested by the employee will be decreased if the weekly payroll deduction would be less than \$4.00 per week.

Section 9.

Other plan administrative details are covered in the Summary Plan Description for the Pilgrim's Pride Retirement Savings Plan.

Both parties agree that during the term of this contract any changes made at other Pilgrim's facilities in regard to this plan will also be implemented in this agreement.

ARTICLE 25
PROTECTIVE CLOTHING

Section 1.

The Company shall furnish all knives and scissors required in the operation of the plant.

Section 2

All items which the Company may require to be worn in the workplace, such as but not limited to, shop coats or smocks, hearing protection, rubber gloves, aprons, hairnets, beard nets, bump caps shall be furnished at no cost. Such items will be replaced provided the worn or unserviceable items are returned. Employees failing to turn in worn articles will have them replaced at no cost but will face disciplinary action for failing to properly secure Company property. Some items, while not required, will be made available for purchase.

Maintenance hand tools are/will be replaced when the worn out or unserviceable tool is turned in.

Section 3.

Employees temporarily transferred from one area to another will have equipment provided to perform the job as needed at no charge to the employee.

Section 4.

The first issue of back support and wrist support will be supplied at no cost to the Partner and shall be replaced at no cost to the Partner as needed, provided the worn out item is accounted for by the Partner.

ARTICLE 26
WORK INJURY PLAN

Section 1.

The Company is not a subscriber to the State of Texas Workers' Compensation System. As a non-subscriber, the Company provides medical benefit and wage replacement program for work related illnesses and injuries called the Partner Protection Plan.

Section 2.

Changes made to the Pilgrim's Pride Corporation Partner Protection Plan for all other Texas facilities will also be made to this Agreement.

ARTICLE 27
WAGES

Section 1.

	10-7-07	10- 5-08	10-4-09	10-3-10	10-2-11
<u>Plant Labor</u>					
Start	\$8.00	\$8.00	\$8.00	\$8.25	\$8.50
90 Days Rate	\$9.30	\$9.55	\$9.85	\$10.10	\$10.35
* 3 years to 7 years	\$9.40	\$9.65	\$9.95	\$10.20	\$10.45
* 8 Years and over	\$9.50	\$9.75	\$10.05	\$10.30	\$10.55
<u>Maintenance and Wastewater</u>					
Maintenance Class AA					
Start	\$13.40	\$13.40	\$13.40	\$13.65	\$13.90
6 Months	\$14.05	\$14.15	\$14.65	\$14.90	\$15.15
1 Year	\$14.40	\$14.90	\$15.40	\$15.65	\$15.90
Maintenance Class A					
Start	\$12.40	\$12.40	\$12.40	\$12.65	\$12.90
6 Months	\$13.05	\$13.15	\$13.65	\$13.90	\$14.10
1 Year	\$13.40	\$13.90	\$14.40	\$14.65	\$14.90
Maintenance Class B					
Start	\$11.40	\$11.40	\$11.40	\$11.65	\$11.90
6 Months	\$12.05	\$12.05	\$12.05	\$12.30	\$12.55
1 Year	\$12.40	\$12.90	\$13.40	\$13.65	\$13.90
Maintenance Class C					
Start	\$10.00	\$10.00	\$10.00	\$10.25	\$10.50
6 Months	\$10.55	\$10.55	\$10.55	\$10.80	\$11.05
1 Year	\$10.90	\$11.40	\$11.90	\$12.15	\$12.40
Wastewater					
Start	\$10.00	\$10.00	\$10.00	\$10.25	\$10.50
6 Months	\$10.55	\$10.55	\$10.55	\$10.80	\$11.05
1 Year	\$10.95	\$11.45	\$11.95	\$12.20	\$12.45
Supply: Parts					
Start	\$ 8.50	\$8.50	\$8.50	\$8.75	\$9.00
6 Months	\$ 9.55	\$9.55	\$9.55	\$9.80	\$10.05
1 Year	\$10.25	\$10.75	\$11.25	\$11.50	\$11.75

* Senior employees with at least three (3) years up to seven (7) years of service shall receive a premium of ten cents (10¢) per hour. Senior employees with eight (8) or more years of service shall receive a seniority premium of twenty cent (20¢) per hour.

In addition to the Plant Labor rate, employees in the job classifications listed below will receive the following premium pay.

Shuttle Driver (back dock)	+\$0.50
Shipping Shuttle Driver	+\$1.00
Quality Assurance	+\$0.25
Data Collector	+\$0.25
Shipping	+\$0.15
Sanitation*	+\$0.10
Knife Sharpener	+\$0.05
Live Hanger/Killer	+\$1.00

*Sanitation employees shall be paid ten (.10) cents per hour in addition to hourly rates set forth in paragraph 1 above. If sanitation workers clean the plant in less than eight (8) hours and same is approved by U.S.D.A., or equivalent inspection, then said employees shall receive pay for that portion of the eight (8) hour shift not worked.

A shift differential of twenty-five cents (25) per hour will be paid to all employees who work a majority of their daily hours between 4:00 p.m. to 6:00 a.m.

Maintenance Partners who promote up in classification will automatically go up to the six (6) month pay scale of their new classification.

ARTICLE 28 ORIENTATION

In the interest of having an educated and stable workforce, along with continuing to improve the bargaining process between the parties and promoting cooperative relations, the parties agree to the following:

- 1) One (1) Chief Steward per facility having more than 400 employees in the bargaining unit will be allowed up to five (5) paid hours per week during his/her regular schedule to conduct Union business.
- 2) The Chief Steward (up to one per shift) shall be granted super-seniority in regards to plant closing or plant lay-offs.
- 3) The Company shall allow the Chief Stewards to wear hard hats designating them as official Union Stewards.
- 4) It is agreed that the Union may appoint additional department stewards consistent with current agreements from the bargaining unit to conduct Union business.

The Company agrees to provide a union workspace to be used during the five hour period described in paragraph 1 above or during visits by Union Representatives. The workspace, wherever it is located shall be reasonably accessible to employees depending upon available

space at each facility. The workspace location shall not interfere with production operations and shall be reasonably isolated from distractions to the extent possible. In the event of a change in the location of the workspace becomes necessary, the Company will inform the Local Union.

Within thirty (30) days of the effective date of this Agreement and on the first (1st) workday of each month, the Company shall supply to the Local Union a list of all employees covered by the this Agreement in an Excel Spreadsheet. This list shall contain the following up-to-date information on each employee, as recorded in the employee's personnel file: Last four (4) digits of the social security number, First Name, Last Name, Sex, Date of Birth, Full Address, Home Telephone Number, Department, Job Classification, Date of Hire, Full or Part Time Status, Rate of Pay and whether the employee has authorized the deduction of union dues. This would replace any information currently being provided.

In the interest of having an educated and stable workforce, along with continuing to improve the bargaining process between the parties and promoting cooperative relations, the parties agree to the following:

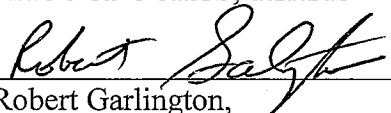
The Union Stewards or Union Representative from UFCW Local 455 will be allowed to attend all new employee orientation meetings. The Union Stewards or Union Representative from UFCW Local 455 will be allowed to discuss the benefits new employees will receive due to the collective bargaining process and the benefits of union membership. The Union Stewards or Union Representative from UFCW Local 455 will be allowed up to thirty (30) minutes, as needed, to address employees in the Company Orientation Program. This shall be uninterrupted and during or at the end of the first day of the Company Orientation Program.

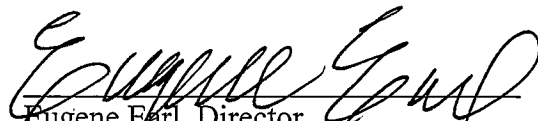
The Company and its supervision and UFCW Local 455 and its agents in units covered by this Agreement, agree to treat each other with mutual business respect. When the agents of UFCW Local 455 are in the plant they will respect the Company's need to service customers, and the Company will respect the need of the agents to service their members. The Union Steward or Union Representatives from UFCW Local 455 will be notified in advance of any changes to the orientation schedule of all new hires.

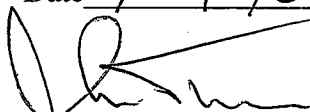
ARTICLE 29
DURATION

This Agreement shall become effective October 7, 2007, and shall continue in full and in effect through. October 6, 2012. Should any party desire to terminate this Agreement on the above termination date, such party shall give to the other party at least sixty (60) days notice in writing prior to the indicated termination date of such desire to terminate the collective bargaining agreement. If notice is not given, the contract shall automatically renew itself for one (1) year and shall continue to automatically renew from year to year thereafter until the required sixty (60) days notice termination is given to the annual expiration date of the contract.

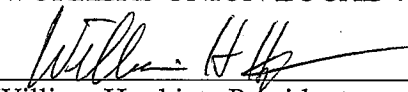
PILGRIM'S PRICE CORPORATION
NACOGDOCHES, TEXAS

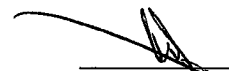

Robert Garlington,
General Manager
Date 1-21-10


Eugene Earl, Director
Labor Relations
Date 1-4-10


John Thomasson
Human Resources Manager
Date 1-21-10

UNITED FOOD & COMMERCIAL
WORKERS UNION LOCAL 408


William Hopkins, President
UFCW Local 455
Date 2-1-10


Rick Alleman, Secretary-Treasurer
UFCW Local 455
Date 1-26-10

MAR 07 2011

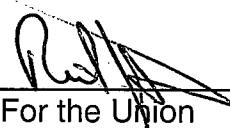
Received

Letter of Understanding

This Letter of Understanding made and entered into by Pilgrim's Pride Corporation, Nacogdoches, Texas, hereinafter referred to as the "Company," and United Food and Commercial Workers Union, Local 455, hereinafter referred to as the "Union."

The Company and Union agree to move probationary employees to the ninety (90) day rate after a period of sixty (60) days. At ninety (90) days, there will be no additional increase in wage rate. This understanding does not change the probationary period and all other provisions.

The Company will periodically review and determine if the need still exists to progress employees to the ninety (90) day rate after sixty (60) days. If the Company determines that the increased progression is no longer needed, it will notify the Union prior to returning to the practice outlined in the Collective Bargaining Agreement.

 3-9-11
For the Union

 2/29/11
For the Company